

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

Telecommunications Services for	)	
Individuals with Hearing and Speech	)	CC Docket No. 98-67
Disabilities, and the Americans with	)	
Disabilities Act of 1990	)	

**REPLY COMMENTS OF SBC COMMUNICATIONS INC.**

SBC Communications Inc. (SBC) hereby submits these reply comments in response to AT&T's Comments filed in the above-captioned proceeding. AT&T asks the Commission to eliminate the LEC's ability to recover Telecommunications Relay Service (TRS) fund contributions through carrier access charges. For the reasons discussed below, the Commission should reject this request.

First, the Commission has already conclusively determined that price cap LECs can seek exogenous recovery for TRS fund contributions, which in turn means that LECs can recoup these cost via end-user and carrier access charges. Specifically, the Commission stated,

We are persuaded by petitioners to clarify that for TRS fund contributors regulated under price cap regulation, contributions may be treated as exogenous costs for the purposes of calculating the price cap index. We make this finding pursuant to Section 61.45(d) of the Commission's rules, which grants exogenous treatment to any cost the Commission shall permit or require. . ."<sup>1</sup>

Indeed, over the past several years, LECs, including SBC, have sought and routinely obtained exogenous relief for TRS fund contributions pursuant to Section 61.45 of the Commission's rules and these costs have been passed on to end users and carriers through access charges.<sup>2</sup> Given the

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<sup>1</sup> *Telecommunications Relay Services and the Americans with Disabilities Act of 1990*, Second Order on Reconsideration and Fourth Report and Order, 9 FCC Rcd 1640 (1993) (1993 Order).

<sup>2</sup> *1998 Biennial Regulatory Review , Streamlined Contributor Reporting Requirements Associated With Administration Of Telecommunications Relay Services, North American Numbering Plan, Local Number*

foregoing, AT&T's analogies to local number portability and universal service are wholly irrelevant.

Second and equally important, AT&T's request is procedurally defective. AT&T has couched its comments as an opposition to NECA's amended TRS payment formula, when in fact AT&T is seeking reconsideration of the Commission's 1993 determination that LECs can seek exogenous recovery of TRS fund contributions and pass such costs to end users and carriers via access charges. The *1993 Order* is a final, nonappealable order and AT&T is without recourse to challenge the validity of that decision in this proceeding. To the extent AT&T wishes to challenge the FCC's rulings concerning TRS contributions and price cap reductions, it should do so in the access charge proceedings.<sup>3</sup>

Respectfully Submitted,

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*Portability, And Universal Service Support Mechanisms*, Report and Order, CC Docket No. 98-171, ¶ 65 (1999) ("contributions to the TRS mechanism under the current gross telecommunications revenue basis are treated as exogenous costs under price cap regulation, meaning that the overwhelming majority of these costs are passed through to toll carriers under either methodology.").

<sup>3</sup> *Id.* n.144.